

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND MANAGEMENT
BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, et al.,

Debtors.¹

PROMESA
Title III

No. 17 BK 3283-LTS

(Jointly Administered)

**RESERVATION OF RIGHTS OF AMBAC ASSURANCE CORPORATION TO THE
URGENT MOTION FOR ENTRY OF AN ORDER APPROVING STIPULATION AND
CONSENT ORDER BETWEEN TITLE III DEBTORS (OTHER THAN COFINA) AND THE
PUERTO RICO FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY ACTING
ON BEHALF OF THE GOVERNMENTAL ENTITIES LISTED ON APPENDIX “A”
REGARDING THE TOLLING OF STATUTE OF LIMITATIONS**

Ambac Assurance Corporation (“Ambac”) hereby submits this reservation of rights to the *Urgent Motion For Entry Of An Order Approving Stipulation And Consent Order Between Title III Debtors (Other Than COFINA) And The Puerto Rico Fiscal Agency And Financial Advisory Authority Acting On Behalf Of The Governmental Entities Listed On Appendix “A” Regarding The Tolling Of Statute Of Limitations* [ECF No. 6535] (the “Motion”), and respectfully states as follows:

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the “Commonwealth”) (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747).

RESERVATION OF RIGHTS

1. Ambac hereby reserves rights with respect to the Motion and the stipulation attached thereto (the “Stipulation”).

2. The Motion and Stipulation were filed in the afternoon of Sunday, April 28, 2019 with a proposed deadline to object of 5:00 p.m. on April 30, 2019.

3. This self-created emergency is unnecessary and unhelpful. With each new occurrence of the Oversight Board filing a substantive motion on a moment’s notice, it is becoming increasingly difficult for creditors and interested parties to meaningfully evaluate what is being presented to the Court, including the interplay, if any, with the scope and limitations of other tolling agreements entered or being negotiated.

4. The statute of limitations has long been known to both the Oversight Board and AAFAF, and creditors and other interested parties should not be prejudiced by the Oversight Board and AAFAF waiting until the eleventh hour to negotiate and publicly disclose this Stipulation.

5. The Stipulation purports to extend the limitations period with respect to, among other things, avoidance claims against the Puerto Rico Infrastructure Finance Authority and the Puerto Rico Convention Center District Authority. Ambac does not believe that there exist any such viable claims, and reserves all rights to object to such claims on any grounds, including based on the effect of the purported tolling of any applicable statute of limitations.

Dated: April 30, 2019
San Juan, Puerto Rico

FERRAIUOLI LLC

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CERTIFICATE OF SERVICE

I hereby certify that, on this same date, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will send notifications of such filing to all CM/ECF participants in this case.

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